(iii) Launching of schemes of Apparel Parks for Exports and Textile Centre Infrastructure Development Scheme for upgrading infrastructure facilities at important textile centres;

(iv) Concerted action for implementation of Technology Upgradation Fund Scheme and Technology Mission on Cotton schemes;

(v) Allowing foreign equity participation upto 100% through automatic route in the textile sector with certain exceptions;

(vi) Launching of a programme as part of Technology Upgradation Fund Scheme for modernisation of weaving capacities.

(b) to (d) A proposal for financial restructuring of viable and potentially viable mills and the setting up of a Textile Asset Restructuring Fund has been received. No decision has been taken.

Ending quota regime under WTO in 2004

913. MISS MABEL REBELLO: Will the Minister of TEXTILES be pleased to state:

(a) whether the quota regime that ends under WTO in the year 2004 will open up 100 billion USD for trade of world textiles to the Indian textile industry;

(b) if so, what preparation Ministry of Textiles has made to take advantage of this opportunity;

(c) whether Indian textile industry is restructuring itself by evolving manufacturing and marketing strategies to use these opportunities to increase their business; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) It is true that the quota regime ending on 31.12.2004 would bring more export opportunities for Indian textile industry.

(b) In order to enable the industry to take further advantage of such opportunities, the Government has also taken the following steps to make the industry more competitive:

(i) the National Textile Policy, 2000 (NTxP-2000) has been announced to provide the policy direction for orderly and sustained development and growth of the textile industry in a harmonious and to give a thrust to textile exports. Some of the important initiatives taken pursuant to NTxP-2000 are:

— The Government has de-reserved the woven segment of ready made garment from the SSI sector. It has also raised the SSI investment limit for knitted segment to Rs. 5 crores.

— The Government has launched a Centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.

— For upgrading infrastructure facilities at important textile centres, a scheme Textile Centre Infrastructure Development Scheme (TCIDS) has been launched.

(ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1.4.1999 to facilitate the modernisation and upgradation of the sector.

(iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50% this further encourages modernisation.

(iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought from 15% to 5%.

(v) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training and Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(vi) Facilities by way of eco-testing laboratories have been created to enable exporters to get the textile products pre-tested for conforming to the requirements of importing countries.

(vii) The Textile Export Promotion Councils have been undertaking promotional measures for boosting exports of textiles to various countries.

(c) and (d) Yes, Sir. The industry has taken advantage under TUFS to modernize itself. An amount of Rs. 6100.82 crore involving 1782 applications has been sanctioned upto 31st December, 2002. Out of which, an amount of Rs. 5243.22 crore stands disbursed to 1430 applicants. Lately, the share prices of some important textile units have also been showing an increasing trend.

Limited bilateral deal in textiles

914. SHRI RUMANDLA RAAMACHANDRAYYA: Will the Minister of TEXTILES be pleased to state:

(a) whether India and the European Union (EU) are examining the possibility of a limited bilateral deal in textiles to compensate New Delhi for the likely loss of over 250 million Euro arising out of diversion of trade to Pakistan due to duty-free access being granted to it by EU;

(b) if so, whether any final decision in this regard was reached during the 12th session of the India-EU joint commission held in Brussels on July 10, 2002; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) to (c) The scheme of Generalised System of Preferences (GSP) of the European Union (EU) for the period 1st January, 2002 to 31st December, 2004 *inter alia* provides for suspension by the EU of customs duties for all products which have not graduated under special tariff arrangements to combat drug production and trafficking. Pakistan is one of the beneficiary countries under this special arrangement. As this may adversely affect India's exports to EU, India had taken up this issue with EU through bilateral consultations held in February, 2002 and July, 2002 and consultations under the Dispute Settlement Mechanism of WTO on 25th March, 2002. During these consultations it was highlighted that India would stand to lose substantial trade on account of duty concessions given to Pakistan. The EU was requested to rectify the adverse trade impact due to such concessions. The EU has not yet